

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA**

IN RE:) **Bankruptcy No.** 17-22147-GLT
 Ronald S. Jones,) **Chapter** 11
) **Related Document No.**
Debtor.) **Document No.**

SUMMARY OF CHAPTER 11 PLAN OF REORGANIZATION
FILED JANUARY 17, 2022

Class 1 – Administrative Claims: All Class 1 Administrative Claims will be paid as the parties agree.

Class 2 – Pacific Union Financial Now Freedom Mortgage: Freedom Mortgage holds the first mortgage on 3307 Waterford Drive Pittsburgh PA 15238. This is a residential property that the Debtor and his spouse uses as their home. The debtor shall continue making payments on this obligation without modification.

Class 3 – Citizen Bank Home Equity: Citizens Bank holds the second mortgage on 3307 Waterford Drive Pittsburgh PA 15238. The Debtor will restructure the mortgage over a new ten-year term and 3.5% interest rate.

Class 4 – Priority Tax Claims: This Class shall be limited to the principal and interest only claim of the Internal Revenue Service Claim #1. All Priority Tax Claims that are allowed will be paid off over five (5) years at the requisite statutory interest rate for the respective creditor. The penalty and fee portions of these claims will be treated in Class 6.

Class 5 – Terri Imbarlina Patak: Per agreement of the parties, this creditor will be granted mortgage in the amount of \$85,000.00 on 3307 Waterford Drive Pittsburgh PA 15238 which will be ratified by Grace Jones. This debt will be paid over ten years at 4% with a monthly payment of \$860.58. This debt is and will remain non-dischargeable as to Ronald Jones.

There will be a modified default provision. If there is an arrearage of more than 30 days, the creditor will issue a default and thereafter, the Jones' will have 15 days to cure the default. If not cured a material default has occurred.

- a. If the material default occurs within the first 24 months, the creditor can commence a foreclosure; but the Jones' may cure the Default at any time allowed by law AND the interest rate permanently increases to 6% regardless of any cure.
- b. If the default occurs after the 24th month, you can commence a foreclosure; but the Jones' may still cure at any time allowed by law.

Additionally, this creditor shall have a \$95,000.00 unsecured claim which shall be treated in class 6.

Class 6– General Unsecured Creditors: Class 6 is composed of all creditors who have an allowed unsecured claim against the Debtor as of the Petition Date. The Allowed Unsecured Claims in this Class will be paid \$15,000.00 in installments of \$250.00 per month. The unsecured creditors will receive a pro-rata distribution. Distributions to unsecured creditors will be made on a quarterly basis. The ultimate dividend will be determined based on the outcome of any claim objections.

Additional Information and Comments:

Originally, this case was commenced as a Chapter 7. However, both the business lender and Chapter 7 Trustee filed adversaries against the Debtor and his spouse. The business lender was able to obtain a judicial determination that her debt was non-dischargeable. The Chapter 7 Trustee also holds an administrative claim. In light of the events which transpired before, the Debtor wanted to end the litigation and the related costs from it. Ronald Jones asked the court to allow him to convert the case to a chapter 11 and work out a settlement with creditors.

Robert Shearer, Chapter 7 Trustee, shall have a stipulated claim for \$5,000.00 for his costs and fees that accumulated during the Chapter 7 portion of the case. There will be no need for any fee application because this is a settled amount which is being noticed to all creditors in this case.

Respectfully Submitted,

DATE: January 17, 2022

BY: /s/ Donald R. Calaiaro
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**CERTIFICATE OF SERVICE OF Summary of Chapter 11 Plan of Reorganization
Dated January 17, 2022**

I certify under penalty of perjury that I served the above captioned pleading on the parties at the addresses specified below or on the attached list on January 17, 2022.

Service by E-mail:

Ronald S. Jones ronaldsjones3307@gmail.com and gbgracebetancourtr@gmail.com

Service by NEF:

Jodi Hause, on Behalf of the United States Trustee by on behalf of U.S. Trustee Office of the United States Trustee; jodi.hause@usdoj.gov, David.A.Berry@usdoj.GOV; Steven.W.Albright@usdoj.GOV
Robert Shearer on behalf of Trustee Robert Shearer; information@robertshearer.com,
rshearer@ecf.axosfs.com; rspclaw@gmail.com
Samuel R. Grego on behalf of Spec. Counsel Samuel R. Grego; gregos@dmclaw.com,
rmccartney@dmclaw.com

The type(s) of service made on the parties (first-class mail, electronic notification, hand delivery, or another type of service) was: Electronic Notification.

If more than one method of service was employed, this certificate of service groups the parties by the type of service. For example, the names and addresses of parties served by electronic notice will be listed under the heading "Service by Electronic Notification," and those served by mail will be listed under the heading "Service by First-Class Mail."

Executed on: January 17, 2022

/s/ Donald R. Calaiaro
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